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Secretary of Defense William J. Perry
Remarks to American Bar Association

Attached are remarks of Secretary of Defense William J. Perry as delivered to the American Bar Association, Washington, D.C. on March 31, 1994.

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Remarks by Secretary of Defense
William J. Perry
Before the American Bar Association
March 31, 1994

Thank you very much, Ed, for that generous introduction. Ed has been a dear friend for these past 17 years and a valued adviser.

I considered laying a heavy policy talk on you this morning, and I thought in the 15 or 20 of time after breakfast that might not be the best way of using my time and your time. And instead, I decided to just talk with you about a subject, and ironically, it's a subject which relates a little bit to what -- to Ed's introduction, and that is -- it's the answer to the question several people have asked me -- many friends and colleagues -- "Why in the world did you take this job?"

It's a fair question, and I usually give a flip answer to it, but I also have thought a lot about it before I made my decision, and I thought I would share with you some of those thoughts this morning. And in sum, it came down to three things that I want to do, three objectives that I have in this job, three objectives to achieve something I thought important to achieve and by which I will measure myself when I leave the job, and that I will look back and say to the extent I achieved these objectives, I succeeded; to the extent I did not achieve them, I did not succeed.

The first of them has to do with the precarious ending of the nuclear threat to the United States, In my younger days during the Cuban missile crisis, I was called back from California before the crisis had been yet announced to the public to examine the data which we were collecting on Cuba to try to understand what it all meant, and unfortunately it was very clear very immediately what it all meant. And in the course of the weeks after that, we approached a confrontation -- nuclear confrontation between the United States and the Soviet Union. It was my opinion at the time -- and I was very intimately involved in the study of what was going on -- it was my opinion at the time that we were probably going to a nuclear war and it was only with enormous relief a few weeks after that that we were relieved of that catastrophe.

In general, I have lived my entire adult life with a nuclear -- threat of a nuclear war handing over my head, and that's true of everybody in this room. That cloud has been lifted with the end of the Cold War, but it truly is a very precarious lifting. What Russia and some of its neighboring states are trying to do today in terms of reforming their political and their economic system and a sociological system, all simultaneously, has a very uncertain outcome.

In the meantime, while this reform is going on and while its outcome is still uncertain, there are 25,000 nuclear weapons still in Russia. And therefore, it seems to me our first objective is to nail down the gains which we have achieved with the end of the Cold War and with the lifting of this threat of a nuclear holocaust. And the best way we can do that, I believe, is to help

the Russians in the dismantling of these weapons, help them in the conversion of their defense industries, help them in the reform of the former Red Army, do all of those things which move us towards a world in which we would feel safer and more secure.

The set of actions we can take to do that I tried to articulate in a talk that I gave at George Washington University a few weeks ago, and I labeled that whole policy with the term "a pragmatic partnership" -- a partnership because we have to work together with Russia, they cannot do it by themselves, we cannot do it by ourselves, but we can help them do it. We cannot control that outcome, but we can influence it and we must try.

Now just last week I was at Pervomaysk, which is one of the former Soviet Union operational ICBM sites, and they took me down into the control center that controls 100 different missiles at Pervomaysk with 800 warheads, all of whom at one time were targeted at the United States. And when I watched the operators there go through their checkout of this system, it was a truly moving experience because these two young operators there, and their ability to control and to launch these 800 warheads, had the power to destroy every major city in the United States. And that's the kind of a threat which we were -- have been dealing with and become accustomed to through all of these decades.

After we left the control center, we went out to the silos and we -- they took the lids off the silos and we looked -- I could look down and see the missiles, but I could also see that all the warheads had been removed because this is the site where, pursuant to the summit agreement which President Clinton, President Kravchuk and President Yeltsin signed in January, all of those missiles -- warheads are being taken off the missiles and moved for dismantlement to facilities in Russia. As of this date, more than 120 of the warheads have been sent back for dismantlement and more are scheduled to go.

So this first objective, then, is to do everything we can to keep this -- the world from drifting back into a Cold War. A new Cold War would be very different from the last one. The Soviet Union is gone, the Warsaw Pact is gone; Russia remains and the 25,000 nuclear warheads remain. It would be still very threatening, and we should do everything we can do to keep us from drifting back into any version or and form of that Cold War. That will not be an easy task, it will challenge our best efforts to try to keep that from happening.

The second objective goes off in a different direction, but it's also related to the fact that the Cold War is over because in this post-Cold-War world, the situations in which military power can be used or should be used or threatened to be used are nearly all ambiguous, and they're nearly all situations where if we used the power, we are using it to support limited political objectives. In the Second World War, we used all of the power we had to achieve an all-out victory, including the use of nuclear weapons.

Now we look out forces -- our military forces could be involved in a regional war, they are frequently involved as part of the U.N. forces in peacekeeping operations, and each one of these operations is sui generis, but they all have one thing in common, and that is that the military

forces are there to support very limited political objectives, and therefore there has to be a very selective use of the military force or even the threat of the military force.

No I envision that a primary role of the secretary of defense is his role in advising the president how and when to use military force, and conversely, how -- when not to use military force, when it is not appropriate. For any established foreign policy which we have, a paramount question for the secretary of defense is how can we best use military force to support that policy, or how can we best refrain from using military force in support of that policy. And the converse of that is equally important as when we are trying to establish a new foreign policy to deal with a new situation to assess the role of military power in the various alternative foreign policies that are being considered so we can wisely choose a foreign policy based on an informed judgment of how the military power could or could not support the objectives of that policy.

I gave a talk a few weeks ago on the use of military power in Bosnia and how it could be used, how it could not be used, what foreign policy objectives it could support and which ones it could not support. It was intended that it be informing on the very important question of what can we be doing now during this period in Bosnia to move us towards a peace agreement, and then a second correlated question -- if we reach a peace agreement in Bosnia, how can military power be used to sustain and support that peace agreement. So the second objective I had was to formulate -- help formulate a new approach, a philosophy of how our military power can be used to support our foreign policy objectives in this very -- in the very ambiguous situations we are faced with in the post-Cold-War era.

The third objective I had is in a different direction altogether, but still related to the special problems attendant to the ending of the Cold War, and that is how do we manage properly the drawdown of the forces we have in the post-Cold-War era. We have a factual input to the problem, which is that the resources supporting defense will be decreased about 40 percent from the mid '80s to the mid '90s, from 1986 to 1996. The actual number is 41 percent as we now forecast it.

And the question is, with this 41-percent reduction in forces, how do we come out at the other end of that with a still -- while a smaller military force -- still an effective military force? Now, that this is an important question to answer is indicated very clearly in history because we've gone through two major drawdowns in my lifetime -- one of them after the Second World War and one of them after the Vietnam War. After the Second World War, we went from what was clearly the world's largest and most powerful military force to five years later being almost pushed off the Korean peninsula by a third-rate regional power known as North Korea. So there was something done wrong in the way we made the drawdown that time.

After the Vietnam War, we had a drawdown about comparable to the one we're doing through now, and during that drawdown -- by the end of that drawdown, General Meyer, chief of staff of the Army at the time, proclaimed that we had a hollow Army, and he was right. What we had done in that drawdown was we concluded that, with the reduction in resources then, we should not or could not reduce the force structure, and so we maintained a force structure while the resources were going down and took all of the reductions out of the support for those forces

and out of the modernization to equip the forces. And the consequence was entirely predictable, which is after five or six years of doing that, we ended up with a hollow force.

Well, now we're going through the third drawdown since the Second World War, and this time we've got to get it right. And that gets me to my third objective, which is getting it right this time. We have inherited a legacy, because today we have the most effective military force in the world. We saw this demonstrated in Desert Storm. The challenge then to us is to preserve that legacy even as we go down -- we have a reduction in the force. It's my opinion we can maintain still a very effective military force in the United States and one that can achieve the foreign policy objectives which I imagine that we're going to -- with which we will be confronted. But we can only do that if we bring it down correctly.

The first and the most important requirement is that we have to bring down the size of the force. We cannot manage a reduction in resources of 40 percent with the same size force as we tried to do after the Vietnam War. Fortunately this time the senior military, our military leadership, agrees with that judgment and are leading the war in proposing force structure reductions, and those are well underway today and will be completed actually in another year or two.

That gives us the resources, that gives us the basis, for managing this properly. We have in the people in the all-voluntary force in the Army today a resource which is of enormous value. Unless you have been with, worked with trained with any of these military people in the last five or 10 years, you don't appreciate the quality of the military force we have today. They are competent. They are dedicated. They're well trained.

I had a very interesting discussion with General Sergeyev a few months ago after he had visited the United States and went on a tour of our military basis, met with, was introduced, talked with hundreds of our military people, including hundreds of our enlisted men and NCOs. And he told me after his tour that he was absolutely convinced the first few days of the tour that we were conducting a sort of a Potemkin village for him, that we had gotten some of our best-qualified officers, dressed them up in enlisted men uniforms and introduced them to him.

And he finally, by the end of the tour, became convinced this was real, that the quality of the people in our Armed Forces today was just -- he was finally able to accept and believe. He said, in summary, when he talked with me, that the U.S. Army has the best NCOs in the world today and that that's what makes the difference, that's what makes your military so much more effective than anybody else's. It's more complicated than that, but that is true.

The second part of our legacy is the leadership in our military forces today. In the mid '70s, after the Vietnam War, there were -- the junior grade officers -- the first lieutenants, captains and majors -- split into two categories -- those who said the political leadership of this country led us to failure in Vietnam, and they quit the Army in disgust at that stage; and the other category said there was something we weren't doing right here, we have to rebuild this Army, and they committed to stay in and rebuild it.

Well, those captains and major are today are the three-and four-star generals that have rebuilt the U.S. military as we went from the conscription force to the all-volunteer force. They provided the leadership, the new doctrine and the new tactics which made the U.S. military this most effective group in the world today.

The other part of this getting the drawdown, right is dealing with the drawdown in the defense industry. While we're having a 40 percent reduction in resources, we are reducing our procurement of military equipment about two-thirds. And if you are in a defense industry, that means your market is decreasing by about two-thirds. And the problem, then, of restructuring and reconsolidating the defense industry in the face of this drawdown is a very substantial problem indeed, and we do not want to end up with a hollow industry anymore than we want to end up with a hollow army.

To do that is going to require some imaginative and energetic leadership, a fundamental part of which is to take this defense industry, which has been standing in splendid isolation for the last four decades, and integrate it with the rest of our industry. And to do that, we have to make massive changes in the regulations by which we procure equipment and the imposition of something called military specifications. We are undertaking that task as I speak here. It's a very difficult and a challenging task, but if we succeed in that, then it will give us the basis of having a strong defense industry at the end of this drawdown.

So in summary, then, I undertook this job to try to achieve three objectives, all of them related to the ending of the Cold War. The first was stopping -- is taking what actions we could take in this government and in this Defense Department to prevent a drift back to a Cold War, a new Cold War. Second was to reformulate a policy for the use and the threat of use of military power in these post-Cold War contingencies, all of which have limited policy objectives. And the third of which is in the drawdown that was going on in our military force and the defense industry to get it right this time.

Now, with those -- that statement of objectives, let me throw open the floor to questions, comments and discussion. I'll be happy to entertain any of them.

John, do you want to field the questions or do you want me to?
Okay, please.

Q: Mr. Secretary, you mentioned the 40 percent drawdown in resources, and I hear that at the same time that on Capitol Hill there's much talk about reduction of foreign assistance to Russia and there's much talk about reduction of foreign assistance to Russia and to the other states. Could you tell us how a -- not necessarily the collapse but a movement in the wrong direction in those states would impact on that -- (off mike)?

A: There are several different elements of the foreign assistance that we're giving to the states of the former Soviet Union. One of the most important is something called the Nunn-Lugar program, which has provided, to date, something over a billion dollars, I think a billion-point-two, to be used, but it's not foreign assistance in the standard sense of the world, it's money that's used

to help them dismantle their nuclear weapons, to help them convert their defense industry, and to help them to introduce democracy in their military forces, putting their military forces under democratic political control.

And I believe those programs should be and will be sustained now, whatever happens in those countries, because they are clearly in our interest as well as in the interests of the countries involved. There are other programs which are being administered through the Agency for International Development, for example, which are providing economic assistance to Russia. You can make an argument for sustaining those programs as well, but I think a political reality is it would be very hard to sustain them if there were to be a real turn to the right in Russia today.

My biggest problem, Bill, though, is with the people -- the critics of our policy who say Russia -- reform in Russia is sure to fail and therefore pull out al of our support right now. This, to me, is just a self-fulfilling prophecy. It is not certain by any means that reform will succeed in Russia, and it is certainly clear we cannot control that outcome, but we can influence it and we must try. The difference between a negative and a positive outcome is so great that we owe it to ourselves and to our children to try to influence that in a positive way.

Yes?

Q: Dr. Perry, you mentioned the necessity for procurement reform. Could you give us from your view the prognosis of progress on Capitol Hill in meeting some of the requirements for that?

A: First of all, I would say that about at least half of what we can do to reform the procurement system does not require legislation, and we have vigorous programs underway in the department today to do what we can without legislation. In particular, reforming our use of military specifications is completely up to us. To the extent we have inefficient procurement because of mil specs, it's a self-inflicted wound, and we should be able to repair that one by ourselves and are doing it.

The other half, which has to do -- which does require legislative reform is gong through the Congress right now. I think there's a very good probability that we will have reform legislation this year, maybe even -- well, this year. Let me not try to guess when in the year it will be. That's too hazardous a task. The real question in my mind is not whether we will get it but whether we will get it but whether, in the course of getting the final bill approved, there are crippling amendments made to it which limit its effectiveness dramatically. The problem is an easy one to describe, which is, to reform procurement, what we have to do is make it more like commercial procurement, and that means we have to take away the thousand pages of boilerplate to go with every contract we send out. I don't have to tell this group what the imposition of that boilerplate does to the operations of a company and the way they have to oversee their projects.

Unfortunately, much of this boiler plate was put in there with perfectly objectives in mind: it was to advance social objectives which we perhaps would all agree are worth being advanced.

The question only is whether this is the proper way to advance them, whether it is worth crippling the procurement system in order to get the benefit of these social legislation's.

So that will be the essence of the debate the Congress. Nearly al of the congressman I talked to are in favor of reform, but many of them want to reform only if it does not involve removing their particular boiler plate from the contracts. But if you cannot get all of this -- all of these excess requirements off the contract, then we will not reform the system, we will end up with a system which is unique, that is, and we'll have unique set of contractors who have large overhead staffs that are specifically designed to enforce the provisions of these very unique ways of doing contract business.

So I believe we will get legislation. Whether it will be truly effective legislation is the issue.

Yes.

Q: Mr. Secretary, could you give us your thoughts on the problems of maintaining the industrial base for those defense-unique items such as fighter aircraft or nuclear submarines?

A: About substantially more than half of what we procure can be procured -- are not defense-unique. Even though a fighter aircraft is defense-unique, half of the cost of the aircraft is in the electronics that go into it, and much of that can be -- if we open up our rules and regulations, much of that can be procured on commercial markets.

Obviously, some parts of what the military procure are defense-unique, particularly at the systems level. Nuclear submarines are an example, fighter aircraft are an example, nuclear weapons, obviously, are an example. And in those cases we need -- in my judgment we need to preserve a core capability, and we do that -- I propose that we do that in the case of nuclear submarines by instead of building them at three a year we build them at one every three years. Now, that dramatically increases the cost, but it does maintain a small core of people who are building nuclear submarines so we don't forget how to do that, we don't lose that special capability.

And so, in these core -- in these areas where there is a defense-unique requirement we are sustaining those through a variety of techniques. One of them is by this very low production rate. Another which -- in the case of tanks, we're not buying any tanks. We're not procuring any new tanks this year, but we're spending a modest amount of money to upgrade and -- the M-1 tanks that are already in our inventory. It not only gives us a better tank, but it keeps working the people who know how to build tanks.

And by those -- by those means we are managing to keep those -- that capability together. In the case of fighter aircraft, which are also unique, we have enough -- we have many fewer programs in fighter aircraft going, but we have enough going that we will maintain just through those programs alone a suitable core capability.

Q: Mr. Secretary, you mentioned the dismantling of the warheads while you were in Russia. What arrangements have been made or are being made with reference to the use of the atomic material that will be left over after the dismantlement?

A: That's still somewhat of an unsettled business. I'll tell you what our proposal is, and that is that in the case of the highly enriched uranium, we have offered to buy that back, reprocess it, and sell it as low-enriched uranium for nuclear power plants.

The key part of this proposal was not just converting it for nuclear power plants but that we will step in immediately and offer to buy it and sort of get it off the market because we are concerned about if -- of these tons of highly enriched uranium floating around, about it drifting into a proliferater's hand.

With plutonium, the problem is technically more difficult, and there we are looking to set up international - internationally controlled -- start moving all of the plutonium into several different storage sites and setting up and internationally controlled oversight or guard facility for that. And between that -- we're not there yet in both of these two areas, but that's the path that we're pursuing.

In the case of highly enriched uranium, we have an agreement with the Russians and Ukrainians, for example, but that's the way we're going to proceed. One of the incentives to the Ukrainians, for example, is that in the summit agreement made with the three presidents in Moscow in January, one of the incentives to them to turning their warheads over to the Russians for dismantlement was they got paid for the uranium that was in them; that is, the Russian agreed that they -- in some sense it was their -- they owned the weapons and therefore they would be paid for the uranium. And the Russians are -- we're paying the Russians for it, and the Russians are paying them with fuel rods to use in their commercial reactors.

Thank you very much.

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